

Five-Year Transportation Program

FY 2007
Program Accomplishments
& FY 2008 Overview





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&
FY 2008 Overview**

PRELIMINARY DRAFT

November 6, 2007

MDOT FY 2007 TRANSPORTATION PROGRAM

Accomplishments

The following is a brief summary of the Michigan Department of Transportation's (MDOT) FY 2007 Transportation Program accomplishments and an overview of the upcoming FY 2008 Transportation Program. MDOT's programs support the creation of jobs, growth of the economy, preservation of our environment, the safety and security of the transportation system, and implements the direction set by Governor Granholm and the State Transportation Commission.

The FY 2007 Transportation Program focused on making government effective and inclusive, providing a safe transportation system, supporting job creation and economic growth, protecting natural resources, and improving air quality.

MDOT achieved many accomplishments in 2007, in a time when our state's transportation system is being confronted with high user demand, increased project costs, stretched budgets, and an aging infrastructure. MDOT's asset management approach and other efficiencies have enabled the department to stay focused and turn these challenges into opportunities. A few significant achievements are noted below with more detailed accomplishments highlighted on the following pages.

- MDOT has successfully achieved its ten-year pavement condition goal of having 90 percent of the state trunkline network in good condition by 2007. MDOT's network is currently at 92 percent good.
- MDOT achieved the statewide non-freeway bridge pavement condition goal of 85 percent good in 2006 - two years early. Originally, 2008 was the year for achieving this goal. The statewide freeway bridge condition continues to improve and is projected to be at 87 percent good or fair by FY 2008.
- MDOT continues to deliver a high level of road and bridge preservation program projects announced for the 2007 fiscal year. At the end of FY 2007, 87 percent of the preservation projects announced have been delivered and all of the Capacity Improvement projects announced were delivered.
- MDOT continues to make great progress at reducing traffic fatalities statewide. The 2007 statewide rate is 1.04 fatalities per 100 million vehicle miles traveled (MVMT) – slightly higher than the Strategic Highway Safety Plan goal of 1.0 per 100 MVMT. The rate for the state trunkline system is 0.88 per 100 MVMT and 1.20 per 100 MVMT for the local road system.
- The Mass Transportation Authority (MTA) in Flint/Genesee County won the American Public Transportation Association (APTA) 2007 Bus Safety Award in May 2007.
- Michigan was recognized as the first state in the country to implement a SAFETEA-LU compliant State Long-Range Transportation Plan.



ACCOMPLISHMENTS OF THE 2007 TRANSPORTATION PROGRAM

The FY 2007 Transportation Program focused on making government effective and inclusive, providing a safe transportation system, improving air quality, protecting natural resources, and supporting job creation and economic growth.

The FY 2007 Transportation Program investments totaled \$1.94 billion, which included:

- \$1.58 billion for Highways (\$1.3 billion for capital and \$275 million for routine maintenance).
- \$136 million for Aviation.
- \$229 million for Bus, Marine/Port, and Rail programs.

MDOT continued the fifth and final year of the Preserve First Initiative in FY 2007, investing approximately \$160 million in Preserve First projects. Total Preserve First investment since FY 2003 is \$391 million.

FY 2007 was the second year of Governor Granholm's Jobs Today Initiative to help grow Michigan's economy, make travel safer, and improve the quality of life in Michigan communities. This initiative represents a \$405 million investment for the Jobs Today trunkline program in FY 2006 and FY 2007. In FY 2007, \$339 million (84 percent of the funding) was utilized for projects that created approximately 4,800 jobs.

Effective and Inclusive Government

Local Jobs Today

FY 2007 continued the implementation of Governor Granholm's Local Jobs Today Program. Total investment for the Local Jobs Today Program is \$80 million, which will be used to jumpstart 427 local road projects around the state in 2006, 2007, and 2008, creating nearly 5,000 jobs and stimulating economic development in communities from the tip of the Upper Peninsula to Monroe County. This investment will assist 62 counties and 98 cities and villages to obtain more than \$400 million in federal transportation funds. The program marks the first time that state transportation dollars will be used to fund city and county transportation projects. Partnering efforts included the state Legislature, County Road Association of Michigan, Michigan Municipal League, and MDOT.

The Local Jobs Today Program was extended from September 30, 2007 to April 4, 2008, which will enable the addition of new projects and completion of 2007 projects that would potentially have missed the September 30, 2007 deadline. A total of 89 projects are scheduled to be let in FY 2008.



Asset Management

The Transportation Asset Management Council (TAMC) 2007 accomplishments included conducting the second Michigan Asset Management Conference in April of 2007, where over 200 people attended. The TAMC continued collecting pavement surface distress data on federal-aid eligible roads and some local roads using a visual “windshield” survey known as the Pavement Surface Evaluation and Rating System (PASER). PASER rates the condition of various types of pavement distress on a scale of 1-10, with one representing poor pavement condition and ten representing excellent pavement condition. PASER does not measure structural capacity, ride quality, or friction. The TAMC also conducted training programs for local agencies.

Public Input

MDOT continued its commitment to public engagement by conducting statewide public input sessions on the FY 2007 - FY 2011 Five Year Transportation Program at various locations throughout the state during January 2007. These public input sessions provided citizens and stakeholders an additional opportunity to review the projects being proposed and comment on the document prior to formal adoption. A total of 231 citizens took advantage of the 17 public input sessions held across the state.

State Long-Range Plan

Michigan is recognized as being the first state in the country to implement a SAFETEA-LU compliant State Long-Range Plan. MDOT completed the 2005-2030 State Long-Range Transportation Plan (MI Transportation Plan) during FY 2007. The formal transmittal letter requesting approval of MI Transportation Plan was sent to the Federal Highway Administration (FHWA) on June 25, 2007. The FHWA compliance letter was received on August 1, 2007. As a result of their diligence and hard work, the MI Transportation Plan planning team received the 2007 American Association of State Highway and Transportation Officials (AASHTO) Standing Committee on Quality Team Excellence Pathfinder Award.

The MI Transportation Plan establishes policy direction that will be the foundation of our transportation decisions and investments and creates strategies that will achieve the vision for Michigan’s transportation system. The plan provides a corridor approach for integrated systems-level strategies for enhancing transportation infrastructure, operations, and effective policy changes that will promote a modally integrated and interconnected system. It provides direction for modal planning and policies to ensure integration of all modes and consistency between modes. MDOT conducted several community outreach meetings during 2007. The MI Transportation Plan is available on MDOT’s public Web site.

Safety Conscious Planning

MDOT assisted local agencies statewide with metropolitan and rural safety forums. These forums included emergency, law enforcement, education, and engineering staff, as well as other interested parties. Reports on crash data, area-wide safety issues, and other safety concerns were discussed. Partnerships were emphasized to promote safety as an integral part of the planning and project development process.

Construction Quality Awards

The Michigan Construction Quality Partnership (CQP) has announced that four MDOT construction projects have been recognized for outstanding achievement in support of the principles of the highway quality movement. Each has received the 2007 Michigan Quality Achievement Award. These projects were substantially completed and open to traffic between January 1, 2005 and December 31, 2006.

- Two projects were recognized in the “Major Highway Construction Project” category: the M-10 reconstruction in Metro Region and the I-96/36th Street interchange in Grand Region.
 - The M-10 Lodge reconstruction in the Metro Region (called the “Mixing Bowl”) reconstructed M-10 and the I-696/Franklin interchange. The work on M-10 was open to traffic two months ahead of schedule.
 - The I-96/36th Street interchange project in the Grand Region involved the construction of a new interchange at I-96 and 36th Street and the reconstruction of two miles of I-96. This project provides a new link to the Gerald R. Ford International Airport and reduces congestion on local roads.
- The Ontonagon Bridge relocation in the Superior Region, designed by the MDOT Design Division, was recognized in the “Major Structure Project Category.” The bridge relocation resulted in portions of M-64 and M-38 being relocated and the bridge location moving a half-mile upstream.
- The I-75/M-81 interchange reconstruction project in the Bay Region was recognized in the “Small Project” category. The M-81 Bridge over I-75 was removed and replaced with a tight diamond interchange that includes roundabouts. The project was also selected as the one project from Michigan that was nominated for submission to the National Partnership for Highway Quality for consideration for national recognition.

Public Transportation

MDOT continued its partnership role in the area of public passenger transportation by providing financial and technical assistance to public, private, and non-profit transportation providers. During FY 2007, MDOT issued over \$200 million in operating, capital, and special project contracts to support over 130 passenger transportation providers, which included local transit, intercity bus and passenger rail.

Compliance monitoring of these contracts was a significant activity in 2007, including participation in three separate reviews by the Federal Transit Administration for federal transit programs managed by MDOT.

FY 2006 data reported by the providers receiving MDOT assistance indicated that over 104 million miles (vehicle and/or train miles) of public transportation services resulted from MDOT’s support and over 95 million passenger trips were provided. While intercity bus ridership declined between 2005 and 2006, passenger rail and local transit ridership experienced an eight percent increase in ridership in each of these two modes.



Examples of public transportation accomplishments during this period include:

- The state's two transit associations expanded their partnership with MDOT to deliver key transit training events.
- The Macatawa Area Express Transportation Authority was formed this year and their request for a 0.4 millage passed by a 61 percent approval. The new millage replaces a city millage that only provided service to the City of Holland and expands the service area to include Holland Township.
- The Suburban Mobility Authority for Regional Transportation (SMART) in southeast Michigan had great success with their "Bikes on Buses" Program with approximately 100,000 bike rides per year, giving transit riders more transportation options.
- Walled Lake, St. Joseph County and Kalamazoo voters approved new transit millages for the continuation or expansion of their services.
- The Detroit Department of Transportation (DDOT) began work on the new Rosa Parks Transit Center downtown. The \$15 million project will give riders connections to DDOT, SMART and Windsor Transit buses, the People Mover and taxis in a climate-controlled facility that includes retail, restrooms and an indoor waiting area.
- The Blue Water Area Transportation Commission (BWATC) in Port Huron moved into its new transit facility in late 2006. The \$13.8 million brownfield redevelopment includes a compressed natural gas (CNG) station to create the fuel for BWATC's fleet and will allow for expansion.
- The Benzie Bus, a new countywide transit system began service in January 2007. A millage of 0.5 mills was passed to begin the service. Since the service began in January, ridership has continuously increased every month. The service provides interconnectivity between townships, villages and cities within the county, and also provides service to neighboring counties. This service provides Benzie County residents expanded medical, shopping, employment, educational, recreational and social opportunities.
- MDOT worked with the Regional Transit Coordinating Council (RTCC) to help them access federal planning funds to undertake a comprehensive regional transportation service plan and other activities to advance rapid transit in Oakland, Macomb and Wayne Counties.
- Two Michigan transit agencies received national recognition in 2007.
 - The MTA in Flint/Genesee County won the APTA 2007 Bus Safety Award. The APTA Bus Safety Award recognizes public transportation organizations and contractors for their positive safety records and dedication to improving safety. MTA was awarded the top honor, the GOLD Award, which is given to the organization with the best overall bus safety program.


- The Capital Area Transportation Authority (CATA) in Lansing/Ingham County won APTA's 2007 Outstanding Transportation Achievement Award, which recognized them as the best transit system in the nation among systems of similar size; 2007 was the second time CATA was recognized as best in the nation.
- When Greyhound unexpectedly announced they would no longer remain under contract with MDOT to provide intercity bus service in the Upper Peninsula, MDOT worked with Indian Trails to take over the service. In February 2007, Greyhound and Indian Trails worked together to ensure uninterrupted transfer of services so the communities of Calumet, Hancock, Naubinway, Houghton, Manistique, Baraga, L'Anse, Gladstone, Escanaba, Ishpeming, Negaunee, Marquette, Iron Mountain, and others would retain intercity bus service.
- Under the Passenger Rail Program, \$6.2 million was provided to Amtrak for the Pere Marquette, Grand Rapids-Chicago service and the Blue Water, Port Huron-Chicago service. This operating subsidy was 12 percent lower than the past three years. Through June 2007, all Michigan rail passenger service revenue was up 5.2 percent and ridership was up 4.1 percent, as compared to the similar time period last year.

Safety of the Transportation System

Michigan's Strategic Highway Safety Plan (SHSP) was adopted in December 2004 by the Governor's Traffic Safety Advisory Commission and endorsed by the Governor in 2006. The development of the SHSP was a collaborative effort involving federal, state, local, and private entities. The purpose of the SHSP is to provide leadership to improve traffic safety by fostering communication, coordination, and collaboration among government and other public and private entities in Michigan. The goal is to reduce fatalities on all Michigan roadways to 1.0 per 100 million vehicle miles traveled (VMT) by 2008.

For 2006, the MDOT state trunkline fatality rate per 100 million VMT is 0.88, lower than the adopted goal. Statewide, the rate is 1.04. On the local road system, the fatality rate was 1.20. In response, we are partnering with local agencies to assist them with education and engineering to reduce crashes and fatalities on the local system and throughout the entire state to ensure that Michigan reaches its safety goal.

As part of the Michigan SHSP, MDOT developed the Local Safety Initiative (LSI) to help address local highway safety. This effort was undertaken three years ago to strengthen the partnerships with local units of government to reduce the number of fatalities and injuries on Michigan's roads. The primary service MDOT offers local road authorities is help in analyzing their crash data to identify problem locations and potential crash countermeasures. To date, the LSI Program is in various stages of review with 23 counties and 13 cities/villages. Several agencies that had a review at the very start of the LSI program are undergoing an updated review. Twenty-four additional agencies are on the list for analysis.



In FY 2007, MDOT invested approximately \$67 million in a comprehensive highway safety program focused on improving traffic control devices and driver information systems in an effort to improve driver safety. This investment provided for the design, construction, and placement of signs, pavement markings, guardrail, traffic signals, and other safety improvement projects.

Michigan's safety belt use is at 94 percent and remains relatively unchanged from the 2006 usage rate of 94.1 percent. Wayne State University Transportation Research Group conducted the direct observation survey in late spring in conjunction with the annual statewide safety belt mobilization. The 94 percent usage rate puts Michigan among the highest belt use states in the country, second only to Washington State in 2006.

To promote the safety and protection of workers and motorists, MDOT continues its second year of efforts to reduce speeds wherever workers are present through signing. The sign, "Where Workers Present 45," means motorists must reduce their speed to 45 mph where workers are present in highway work zones. In the past, motorists were required to reduce their speed to 45 in highway work zones – even where workers were not present. The "Where Workers Present 45" sign makes enforcement of work zone speed limits easier than in the past. Motorists are advised to "Look, Locate, and Lower" when traveling through work zones. Specifically, when approaching "Road Work Ahead" signs, motorists should maintain the posted speed limit, look for workers, locate workers, and lower speed to 45 mph where workers are present. This increased emphasis in worker safety has resulted in a change in observed speeds in MDOT's work zones. In 2006, there was 85 percent compliance to posted speeds compared to 15 percent in 2005.


MDOT has identified locations across the state where increased law enforcement in work zones may help keep motorists and workers safer during our construction season. The department provides funding to cover overtime costs for state and local police officers patrolling work zones.

These added patrols, along with the increased fines and penalties for traffic violations, help protect not only the highway workers, but also the drivers within these work zones. In 2006, there was a 20 percent reduction in work zone crashes and injuries statewide, compared to 2005.

MDOT conducted 112 diagnostic study team reviews/formal investigations to review existing and proposed crossing locations to determine safety enhancements. State and/or federal funding was granted for 47 improvement projects and eight crossing elimination projects on roads under city, county, or village jurisdiction. MDOT also provided funding assistance to Michigan Operation Lifesaver to support its educational and training programs regarding grade crossing safety and rail line trespass issues.

Safe Routes to School Program

The federal Safe Routes to School (SRTS) Program provides funding earmarked for projects that encourage children in kindergarten through eighth grades to walk or bicycle to school, and provides safe routes to do so. MDOT invested initial funding from this program, enacted in 2005, to develop a planning handbook and provide training and technical assistance to school teams to develop comprehensive action plans for bringing about increases in safe walking and biking to school. The action plan is a prerequisite for eligibility to apply for SRTS funding.



From the public launch of Michigan's program in May of 2006 to the end of FY 2007, of Michigan's 4,300 eligible elementary and middle schools, more than 250 (over five percent) had registered to carry out the planning process. During the same period, nearly 700 people statewide had been trained to carry out the handbook planning process. In FY 2007, applications based on completed action plans covering ten schools were received totaling over \$1.3 million. These applications proposed projects which included such activities as building sidewalks, marking crosswalks, installing signage, signals, and bike racks; distributing education materials and pedometers; hosting events, and giving prizes and incentives to encourage walking and biking. Some applicants also proposed providing stipends for local school Safe Routes Program coordinators, police patrols and crossing guard equipment.

Multi-Modal Program 2007 Safety Accomplishments

The annual Aviation/Aerospace Teacher Workshop is designed to help teachers incorporate aviation and aerospace concepts into their classrooms. The 14th annual workshop on May 19, 2007 was attended by 160 teachers, plus approximately 40 staff and presenters.

Michigan Aviation, a quarterly safety publication, features articles on a myriad of safety issues as well as Aeronautics Commission news. It is sent to each of Michigan's 18,000 pilots.

Pilot safety seminars are conducted throughout the state to provide recurrent training for pilots on issues designed to help them improve their skills, enhance their knowledge, and prevent accidents. MDOT cooperates closely with the Federal Aviation Association, state colleges and universities, and various aviation groups and organizations in conducting these seminars. In FY 2006, about 35 seminars with an estimated attendance of 3,000 people were conducted.

Safety continued to remain an important issue for public passenger transportation as well. As noted previously, MTA won the APTA 2007 Bus Safety Award in May 2007.

MDOT helped promote safe transit operations through the Statewide Small Bus Rodeo, which was hosted by the Isabella County Transportation Commission in June 2007. MDOT provided federal funds and some staff support to help with this competition, which focuses on transit driver competency and safety. The winner of this event will compete in New Orleans in June of 2008 at the National Small Bus Rodeo.

During 2007, 845 privately-owned carrier companies operated 6,205 buses and limousines on Michigan's roadways. These companies provided transportation to passengers traveling throughout the state in on-call, demand, reservation, tours, charters, and regularly scheduled specialized services. MDOT continued to carry out its responsibilities for safety oversight of for-hire passenger carriers. MDOT is directly responsible for: 1) issuing authority (business licenses) to operate; 2) monitoring insurance compliance and 3) physically inspecting motor buses or safety certifying limousines. In 2007, 6,205 buses and limousine were either physically inspected or safety certified by MDOT staff. MDOT's motor coach inspection program is one of 28 state programs that meet or exceed federal motor carrier passenger standards. MDOT staff also continued to provide oversight of transit agency practices regarding vehicle and facility maintenance. Every year, one-third of transit agencies receive an on-site review.

Improving Air Quality, Operations, and Protecting Natural Resources


During FY 2007, MDOT committed \$33 million in the trunkline portion of the Congestion Mitigation and Air Quality (CMAQ) Program, which is designed to improve congestion and air quality throughout 25 non-attainment and attainment/maintenance counties in Michigan. Since 2006, Michigan's CMAQ Program received an \$8 million increase in funding provided through passage of SAFETEA LU, which allowed for the more diverse projects in Michigan's CMAQ Program. Over \$5 million of these funds were targeted for signal retiming efforts (including projects eligible for CMAQ funding). An additional \$5 million was committed to operations and maintenance of traffic operations centers in Southeast Michigan and West Michigan. Beginning in FY 2007, a three-year (2007 - 2009) CMAQ Call for Projects has been implemented, which should enhance the CMAQ Program development process.

MDOT is also focusing on ways to promote increased partnering with local governments to provide cost containment and promote better use of available CMAQ funding. In 2007, MDOT established an unprecedented public private partnership in Southeast Michigan to retrofit two diesel switching engines, which will promote attainment of the particulate standards in the non-attainment area. In addition, MDOT has established a partnership with the Office of Energy and the Michigan Department of Labor and Economic Growth to oversee a CMAQ project in Washtenaw County where CMAQ dollars will be used to purchase infrastructure equipment for bio-diesel fuel at five locations in the county.

Transit projects of note include funding increases for the operation of the MichiVan Vanpool Program, which is expanding rapidly due to rising gasoline prices. The program also received CMAQ funding and experienced continued growth throughout 2007. The number of vanpools increased 21 percent. Nearly 1,500 individuals are currently taking advantage of the MichiVan Program, either through their own personal initiative or an employer sponsored program. CMAQ funds are providing for the program in Flint, Greater Lansing, and Metropolitan Detroit, and will continue for at least two more years. There is an increased demand for vanpool services due to the rising price of fuel, and in some cases, the lack of adequate public transit to certain areas. The program is expected to continue to grow over the next few years.

MDOT's support of transit operations also focused on air quality improvements and environmental stewardship. Seventeen local transit agencies were awarded approximately \$13 million in federal CMAQ funds, matched with over \$2.6 million in state and local funds to be used for transit capital, operating, and ridesharing initiatives to improve air quality. In total, about 23 percent of the CMAQ Program was awarded to transit related projects.

Using federal and state dollars, the MTA began a partnership with Kettering University and Michigan State University to develop the first fuel cell powered bus in Michigan. The partnership begins with hybrid technology and evolves into fuel cell technology.



This venture creates significant job opportunities, provides technology development and demonstrations based on a current hybrid drive train system for medium and heavy duty vehicles. MTA is also considering the option of building a hydrogen fueling station.


The Capital Area Transportation Authority (CATA) initiated their Clean Commute Options, a free program dedicated to educating the community on alternatives to driving alone. The program's goal is to encourage the community to participate in improving the Lansing urbanized area's air quality. In association with this initiative, CATA declared an Ozone Action Day on August 2 for the Tri-County Area. This declaration was made due to increased concentrations of ground-level ozone resulting from high temperatures mixed with little wind. CATA sent Ozone Action alerts to all their Clean Commute Options program partners and local media stations and recommended alternative transportation and options if driving alone cannot be avoided. The program is taking further steps by meeting with news directors and reporters to make sure that Ozone Action Day Announcements will be made more visible to the community.

The Bay Area Transportation Authority (BATA) in Grand Traverse County completed their downtown transfer center in 2006 using a "greenbuilt" approach. In 2007, the BATA facility received "GOLD" certification from the Leadership in Energy and Environmental Design (LEED).

Innovative design in rideshare and carpooling efforts and public awareness were also part of the 2007 CMAQ Program. These efforts provide a means to maximize the use of existing roadway space. They assist in coping with increased traffic congestion and promote voluntary alternatives to motorists that help alleviate problems which degrade the air quality. The Lansing Tri-County area continued a commute options program which is the first of its kind to integrate rideshare and other commute options for motorists who can make choices to commute without driving a single occupant vehicle.

MDOT invested \$1.1 million in FY 2007 to fund the carpool parking lot preservation and expansion/new construction needs in order to provide motorists with options to reduce travel costs. Also, approximately \$800,000 of CMAQ funds were used for carpool lot projects in non-attainment counties. Eight new lots were constructed to meet capacity demands and to serve corridor needs. Approximately 20 preservation projects were completed (paved or repaved) to improve facilities and meet customer needs. The program currently consists of over 220 parking lots across the state. In 2007, these lots accommodated an estimated 3,700 vehicles each work day. As gas prices have increased, use has increased 8 percent in 2005 - 2006, with an estimated increase of approximately 10 percent in 2006 - 2007.

Expansion and continuation of the operating assistance of the highly successful Southeast Michigan Courtesy Patrol Program continued in 2007. This program assists stranded motorists by removing vehicles from travel lanes, making minor repairs to disabled vehicles, arranging for tows, transporting drivers and passengers, and assisting with local emergency phone calls.



The Freeway Courtesy Patrol Program coverage has been expanded to 24 hours a day, 7 days a week. This program not only benefits the stranded motorists, but also improves traffic operations (reducing congestion) and provides safety for travelers. The program operates 34 vehicles that patrol 12 Metro Detroit freeways. This Freeway Courtesy Patrol Program assisted more than 34,000 stranded motorists in 2006, according to a Southeast Michigan Council of Governments' report.

MDOT Intelligent Transportation System Accomplishments

The MDOT Intelligent Transportation System (ITS) Program, in FY 2007, focused on upgrading our infrastructure in the Metro Region to use current standards and technology for detection, traveler information, and communications. The remaining accomplishments in the state focused on the future of traveler information in the state.

This includes beginning work on the SAFETEA-LU funded high priority ITS project in Grand Rapids to expand the Grand Rapids system to move toward their region-wide ITS plan, beginning construction of a 75-mile expansion of the Metro Region ITS freeway management system, and the development of ITS architectures and deployment plans for the Superior, North, Bay, Grand and Southwest Regions. Lastly, MDOT completed development of a procurement package for new software to operate and manage all of the ITS devices across the state.

The Vehicle Infrastructure Integration (VII) Program continues to take on a significant role at MDOT in terms of the future of traffic operations and transportation safety. During FY 2007, the MDOT VII Program accomplished the following:

- Coordinated with FHWA to host the official United States Department of Transportation (U.S. DOT) Proof of Concept (POC) test to demonstrate the technical aspects of the VII Program.
- Began construction of the MDOT VII test bed in the Farmington Hills/Novi area which will overlap with the U.S. DOT POC test bed in the same vicinity.
- Hosted an international VII summit in January to discuss the international implications of the VII Program and identify projects to coordinate with our partners in Europe and Asia.
- Demonstrated multiple VII technologies in the City of Novi in May at the 2007 ITS Michigan showcase from multiple VII partners, including first-time demonstrations from Continental Airlines and Motorola.



ACCOMPLISHMENTS OF THE FY 2007 HIGHWAY PROGRAM (Capital and Maintenance Programs)

The MDOT FY 2007 Highway Capital and Maintenance Program investments totaled approximately \$1.58 billion, including pre-construction phases (project scoping, environmental clearance, design, and right-of-way acquisition) and construction projects. Based on a University of Michigan economic benefits study specific to the State of Michigan, this program investment supported approximately 22,400 jobs throughout Michigan.

MDOT delivered on its commitments to the public with the implementation of the FY 2007 Transportation Program, which included the second year of Governor Granholm's Jobs Today Initiative. In FY 2007, the state trunkline Jobs Today Program invested \$339 million supporting the state's economy. MDOT continued the fifth (and final) year of the Preserve First Initiative in FY 2007, investing \$160 million on the preservation of Michigan's existing transportation infrastructure. MDOT successfully delivered a balanced program that maintains and preserves our transportation infrastructure while supporting Michigan's economy and quality of life.

The department was successful in delivering 87 percent of the Road and Bridge Preservation Program as announced in September 2006. This translated into providing Michigan travelers with 524 miles of improved road and 165 repaired bridges. In addition, MDOT extended approximately 1,550 miles of pavement life through the Capital Preventive Maintenance (CPM) Program.

The FY 2007 Highway Capital and Maintenance Program maintained the 9,700 mile state trunkline system by investing \$275 million in routine maintenance activities, such as pothole filling, snow plowing, sweeping, and grass cutting.

Following are more detailed statistics related to the accomplishments and benefits provided by the Road and Bridge Preservation, Capacity Improvement and New Roads, Safety, Enhancement, and Transportation Economic Development Fund portions of the FY 2007 Highway Capital and Maintenance Program.

FY 2007 Road & Bridge Preservation Program Statistics

In FY 2007, MDOT awarded 87 percent of the road and bridge preservation projects that were announced in September 2006. MDOT announced 263 projects, including road rehabilitation and reconstruction, non-freeway resurfacing, passing relief lane, and bridge projects. Of the 263 projects announced, 229 were let to contract. In addition, MDOT was able take advantage of opportunities to award an additional 45 projects (24 road preservation projects and 21 bridge preservation) that were not identified at the time of the FY 2007 announcement. This resulted in total delivery of 273 projects (same categories).

The additional 45 projects were primarily due to miscellaneous work such as detour resurfacing, drainage, warranty, etc., as well as other opportunities. MDOT improved 524 miles of roads and 165 bridges.

The total investment to repair and rebuild roads and bridges during FY 2007 was approximately \$609 million. The table below provides statistics on the delivery of FY 2007 road and bridge construction projects.

FY 2007 Road & Bridge Preservation Program Statistics

Work	Projects Announced Sept. 2006	Announced and Awarded	Announced % Awarded	Opportunity Lettings**	Route Miles
Passing Relief Lanes	4	3	75%		7
Road Preservation	87	82	94%	24	517
Bridge Preservation*	172	144	84%	21	
Total	263	229	87%	45	524

*Bridge statistics are number of structures announced and let.


**Opportunity lettings are due to bid savings and bridge capital preventive maintenance & capital scheduled maintenance

MDOT successfully achieved the ten-year statewide pavement condition goal of having 90 percent of the state trunkline network in good condition by 2007. We are currently at 92 percent good. The overall system health of trunkline pavements has improved from 6.8 years average remaining life in 1996 to 9.6 years average remaining life at the end of FY 2007 - this represents a 41 percent improvement. The statewide freeway bridge condition continues to improve and is projected to be at 87 percent good and fair by FY 2008.

FY 2007 Capacity Improvement & New Road Program

In FY 2007 MDOT awarded 100 percent of the highway capacity improvement (CI) projects that were announced in September 2006. Some of these projects required lengthy studies to ensure that efforts in the environmental clearance process, as well as design, would lead directly to the construction letting phase. Among these projects, four of the five were made possible by SAFETEA-LU earmarks and Jobs Today Initiative funding. The exception was the I-75 at the Ambassador Bridge – Gateway Project.

The intersection of M-72 and US-31 in Acme benefited from the operational improvements made in 2007. The US-127BR (Mission Street) access to US-127 in Mt. Pleasant was constructed in conjunction with Isabella County's extension of Isabella Road. The segment of M-59 between I-96 and Michigan Avenue in Howell was let and is under construction to create a four-lane boulevard. This project will be completed in 2008. The interchange of I-196 at Chicago Drive (Baldwin Connector) in Kent and Ottawa Counties was let in 2007 and will be under construction through 2009. The I-75 access improvements from the Ambassador Bridge are underway. This multi-faceted improvement was let in 2007 and will be constructed over a four-year period. The total cost for the construction of these five projects is \$196.5 million.



MDOT is currently pursuing environmental clearance to recommend a location for a new Detroit River International Crossing. The study will identify a solution to support the regional, state, and national economies while simultaneously addressing the civil and national security needs of the busiest trade corridor between the United States and Canada.

MDOT continues to lead the environmental process for the expansion of the Blue Water Bridge (BWB) Plaza in Port Huron. MDOT completed the draft Environmental Impact Statement (EIS) for the project, which identified a preferred alternative. The preferred alternative expands the existing plaza and includes improvements to access roads and nearby interchanges. The design and right-of-way acquisition for the project will begin after a Record of Decision (ROD) is granted by the Federal Highway Administration (FHWA) and should be received in mid-2008. Construction of the project is anticipated to begin in 2010 and be completed by 2014.

The environmental clearance for the Detroit Intermodal Freight Terminal (DIFT) is nearing completion. The final EIS should be signed by the FHWA in late 2007 or early 2008. Numerous other studies involving capacity improvement and new road projects were underway in 2007.

Border Crossing Program Accomplishments

During FY 2007, MDOT's crossing program continued to focus on providing for the seamless, safe and secure transport of people, goods, services and information in a safe, efficient and timely manner across Michigan's international borders. Michigan's international border crossings are among the busiest and most important in the nation. Canada is by far the largest U.S. trading partner. The Ambassador Bridge in Detroit is the busiest commercial border crossing in North America, and the Blue Water Bridge in Port Huron is the third busiest. In response, MDOT has a series of projects and studies underway to improve mobility, inspection facilities, and improved access to the freeway system.

This includes:

- Managing a series of construction projects to improve trunkline condition, inspection facilities and freeway access as part of the Ambassador Bridge Gateway Project.
- Participating in a bi-national study team involved in identifying a location for a new Detroit River International Crossing. The study will identify solutions to support the regional, state, provincial and national economies, while addressing the national security needs of the busiest trade corridor between the United States and Canada.
- Overseeing an environmental clearance process for the expansion of the Blue Water Bridge plaza in Port Huron to identify and evaluate improvements to accommodate traffic growth, ensure safety and security, and support economic development.

FY 2007 Enhancement Program

The federal Transportation Enhancement (TE) Program provides funding for projects in 12 categories of activity enacted by Congress, including pedestrian/bicyclist facilities, roadway beautification and streetscaping, and preservation of historic transportation facilities. TE funding is aimed at enhancing the “fit” of Michigan’s highways, streets, and roadways in the communities they serve. In FY 2007, MDOT’s Transportation Economic Development and Enhancement Office committed TE funding to projects in 64 communities, for a total investment of over \$24.5 million to support both trunkline and local projects. The projects included 22 miles of roadway streetscape, creating 110 miles of pedestrian/bicyclist facilities, and improving the water quality of highway runoff and reducing animal mortality along two state trunklines.

FY 2007 Non-Motorized Facility Program Accomplishments

The Intermodal Policy Division is part of MDOT’s Bureau of Transportation Planning. Among its many responsibilities, the Intermodal Policy Division administers the Non-Motorized Program which provides services, technical expertise and education in planning and design aspects for bicycle and pedestrian travel for both users and professionals. The Division also provides maps that are updated annually, brochures, and information on the MDOT web site. Products are also mailed to users requesting information. The Division staff also provides training to other MDOT staff as well as county and local professionals. The following is a highlight list of FY 2007 Non-Motorized Program accomplishments.

- Intermodal Policy Staff drafted *Michigan Trails at a Crossroads: a Vision for Connecting Michigan*, jointly with the Michigan Department of Natural Resources (MDNR), in response to Governor Granholm’s initiative for statewide trail connectivity.
- Assisted in drafting a Master Memorandum of Understanding between MDOT and MDNR on the acquisition of abandoned rail corridors for future transportation purposes allowing interim use as a trailway.
- Hosted two FHWA trainings: “Designing Streets for Pedestrian Safety” and “How to develop a Pedestrian Safety Action Plan.” The trainings were located in Flint and Wayne State University in Detroit.
- Offered five AASHTO “On-Road Bicycle Facility Design” trainings with over 100 people attending. Attendees included MDOT staff, local transportation engineers and planners, consultants, bicycle advocates and others. The trainings were held in Traverse City, Grand Rapids, Lansing, Jackson and Ann Arbor.

- Continued participation on the Bicycle and Pedestrian sub-team of the Governor's Traffic Safety Advisory Committee.
- Reviewed and provided comments on the Secretary of States driver's education publication "What Every Driver Must Know" to encourage greater emphasis on recognizing that motorists share the road with bicyclists and that drivers should be aware of pedestrians.
- Continued participation in FHWA's "Focus States" teleconference calls to improve pedestrian safety in Michigan.
- Participated in planning for the next "Designing Healthy Livable Communities" Conference, which will be held in May, 2008.

FY 2007 Transportation Economic Development Program

During FY 2007, the Transportation Economic Development Fund (TEDF) Program provided over \$58 million in grants for local and state transportation uses. These funds were used to build commercial routes, relieve congestion, bring forest products to market, and generate private investment and job creation. The programs supported Michigan's target industries, helped to relieve urban congestion, constructed or reconstructed all season roads and aided in the safe and efficient collection and transport of forest raw materials. TEDF – Category A projects supported private investment of nearly \$693 million and the creation or retention of approximately 3,426 jobs.

Category A (Target Industries): \$13.6 million was granted toward road projects in 14 communities. These projects supported private investment of over \$693 million and the creation or retention of 3,426 jobs.

Category C (Urban Congestion Relief): \$19.1 million in state and federal dollars was distributed by formula based on state law to five urban counties for congestion relief projects.

Category D (Rural All-season Roads): \$20.2 million was distributed by formula based on state law to rural counties to construct or reconstruct secondary commercial routes.

Category E (Forest Roads): \$5 million was distributed by formula based on state law to eligible counties for projects that aid in the safe and efficient collection and transport of forest raw materials.

Category F (All Season Roads in Cities in Rural Counties): \$2.5 million was granted to construct or reconstruct secondary commercial routes in cities in rural counties.



FY 2007 Rest Area Program

In FY 2007, \$9.1 million was invested in the Rest Area Program to improve six rest areas, including reconstructing three existing facilities. The new facilities, located on existing sites include: I-75 NB/ Alger Rest Area; I-94 EB/ Sandstone Rest Area; and I-94 WB/ Grass Lake Rest Area. All three were completed in FY 2007 and included new accessible buildings, expanded parking areas and utility improvements. Development was begun to replace rest room buildings and make associated site improvements at two more rest area locations.

In addition, landscape improvements were made at three newly reconstructed rest areas and included a partnership with Calhoun County Master Gardener Volunteers at the Turkeyville Rest Area on south-bound I-69. Landscaping will be completed for the US-127/US-127BR Interchange in Clare County in 2008. Also during 2007, landscape development was begun for plantings at four more rest area locations.

FY 2007 Safety Program

Safety is one of the highest priorities of our program and the projects that are planned and implemented. In addition to the safety elements that are incorporated into each transportation project, MDOT implements a comprehensive safety program. This program received an \$8 million increase in funding during FY 2007 as a part of the Preserve First Initiative and an additional \$5 million as part of MDOT's strategy for enhancing the safety program.

Accomplishments in FY 2007 included adding 150 million feet of pavement markings statewide and replacing special markings (such as school crossing, pedestrian, and railroad crossing) in approximately 40 of Michigan's 83 counties. MDOT also upgraded signs on 211 miles of non-freeway facilities and 197 miles of freeway. The department replaced or upgraded deteriorating guardrail and crash attenuators along 117 miles of roadway; installed nine new traffic signals and overhead beacons, and upgraded/modernized 256 traffic signals and beacons, 18 school devices, 4 warning sign beacons, and re-timed 126 traffic signals. Twenty-three safety improvement projects were constructed in response to traffic crash analysis. As a result of the FY 2007 Highway Safety Program, MDOT estimates the number of crash reductions at 313 for minor injury and property damage crashes and a reduction of 52 severe injuries and fatal crashes.

Accomplishments of the FY 2007

Aviation, Bus, Marine, Passenger Rail, Rail Freight, and Port Programs

AVIATION PROGRAMS

Airport Improvement Program

MDOT conducts annual inspections at 220 public-use airport and heliports. MDOT licenses 237 public-use landing sites, 77 hospital heliports, 84 flight schools, 214 aircraft dealers and the on-demand temporary landing sites. In 2007, approximately 6,600 aircraft will be registered.

During FY 2007, MDOT contracted for 106 airport improvement projects, all having significant safety benefits. In addition to the safety benefit, the projects are developed to either preserve the existing infrastructure or expand the runway capacity. Please see the table below:

Work Type	Number of Projects	Percent by Work Type	Contract Amount	Percent by Dollar Value
Preservation & Security	70	66 %	\$36 million	49%
Capacity Enhancement	37	34 %	\$37 million	51%
Total	106	100%	\$73 million	100%

Note: These totals are only on MDOT bid projects.
Wayne County Airport Authority airports (Metro and Willow Run) bid their own.


All Weather Airport Access Program

With the completion of the FY 2007 All Weather Airport Access Program installations, 61 percent of eligible airports in Michigan will have achieved all-weather accessibility. Maintenance of all 37 state owned Automated Weather Observation Systems was completed throughout the year.

Workshops and Publications

The annual Aviation/Aerospace Teacher Workshop is designed to help teachers incorporate aviation and aerospace concepts into their classrooms. The 14th annual workshop on May 19, 2007, was attended by 160 teachers, plus approximately 40 staff and presenters.

Michigan Aviation, a quarterly safety publication, features articles on a myriad of safety issues as well as Aeronautics Commission news. It is sent to each of Michigan's 18,000 pilots.



Pilot safety seminars are conducted throughout the state to provide recurrent training for pilots on issues designed to help pilots improve their skills, enhance their knowledge, and prevent accidents. MDOT cooperates closely with the Federal Aviation Association, state colleges and universities, and various aviation groups and organizations in conducting these seminars. In FY 2006, about 35 seminars with an estimated attendance of 3,000 people were conducted.

Michigan Aeronautical Chart and Airport Directory are annual publications designed to promote safe flying and provide pilots and aviation-oriented organizations with information regarding Michigan airports. Charts are given to 18,000 pilots and over 1,800 are sold. The Airport Directory is given to registered aircraft owners and over 2,100 have been issued.

Air Service Program

Nine Air Service Program grants were administered during the year from a previous Call for Projects that emphasized safety and security. Projects that increased communications also received priority. The new projects include: Escanaba - Unicom and VHF radios, Flint - convert two existing jetway floors to accommodate regional aircraft, Houghton - install an electronic key system, and install a door on the inside of the operations area for security, Iron Mountain - terminal building modernization with emphasis on restroom and vending area improvement, Lansing - upgrade terminal building public address system, Muskegon - purchase air-to-ground transceivers to improve communications, Pellston - purchase an informational kiosk for airport lobby, and Sault Ste. Marie - purchase UHF and VHF radios.

The Intermodal Policy Division Staff of the Bureau of Transportation Planning also assist staff from the Bureau of Aeronautics on various activities including maintaining data on Michigan airports through the Intermodal Management System and the Airport Information Management System. Staff is also working with Aeronautics staff to update the Michigan Airport System Plan and other special projects.

BUS, MARINE AND PASSENGER RAIL PROGRAMS

The Bureau of Passenger Transportation provided ongoing support of passenger transportation services by providing financial and technical assistance and compliance oversight of public, private and non-profit transportation providers. By fiscal year end, MDOT will have issued over \$200 million in operating and capital contracts to support local transit, intercity bus and passenger rail services. MDOT's development, issuance, oversight, audit and close out of financial assistance contracts, including ensuring compliance with state and federal funding requirements remained a significant task in FY 2007. By the end of the fiscal year, over 700 separate contract transactions will have been completed and over 2,500 payments made.

Two significant administrative improvements were made in FY2007. First, to provide grant funds to transit agencies, each agency must have a five-year master agreement in place that is consistent with standard state and federal program requirements. Each grant is made by issuing project authorizations under a master agreement. In FY 2007, the Bureau of Passenger Transportation implemented a revised master agreement to cover additional programs. The two programs that are now covered under the master agreements are: Marine Passenger and Federal Section 5310. Once established, the New Freedom (Section 5317) program will also be included under a master agreement.

Second, the Bureau established a goal of accelerating the closeout of each annual state formula operating assistance program, in order to pay the final distribution of over \$165 million a year to regular transit agencies statewide faster. In FY2007, we shortened the close out period by six months. This was accomplished by re-engineering analytic methods used to analyze data in annual audits and by closer monitoring of tasks.

MDOT's investments in the passenger transportation system included the following in 2007:


Local Transit Programs

During this reporting pod (FY2006 data), MDOT announced that transit ridership had increased from 87.8 million to 95 million; an 8 percent increase. MDOT's support for local transit in 2007 included the following programs:

Financial Support of Transit Operations - During FY 2007 MDOT continued to support local transit operations by issuing \$166.6 million in Comprehensive Transportation Fund (CTF) monies for local bus operating assistance and \$4.1 million in CTF specialized services payments.

Transit Capital Investment - During FY 2007, MDOT continued to support local transit infrastructure operations.

- MDOT committed over \$12 million in CTF capital match to transit agencies. This CTF match, along with \$10.5 million in toll credits leveraged approximately \$99 million in federal funds.
- MDOT secured CTF and federal funds for rural transit agencies and private non-profit agencies for purchase of up to 138 vehicles.



Transit Facilities – Two transit terminal openings (using FY 2006 and earlier state and federal funds) resulted in better customer service, intermodal connections, and downtown redevelopment:

- The MTA in Genesee County opened their Grand Blanc Service Center in October, 2006. The opening of this service center enhanced MTA's effort to provide community-oriented customer services.
- The new Kalamazoo Transportation Center opened in a ceremony on August 17, 2006. The original train depot built by the Michigan Central Railroad in 1887, was home to the intercity bus and rail passenger service throughout the years. The new center was a \$13 million project to build a transportation center that would house both inter- and intra-city buses along with rail passenger service. Metro Transit buses depart the facility over 700 times a day, as well as eight Amtrak passenger trains and 16 intercity buses.

Transit Technology – Michigan transit agencies used federal, state and local funds to make advancements in transit technology. Projects underway in FY 2007 included:

- The MTA initiated a multi-phase program to study the need for transit Intelligent Transportation System (ITS) technologies and develop a deployment plan to deploy appropriate ITS technologies. This project will explore ITS needs in the region and identify coordination opportunities between the MTA's efforts and ongoing or future ITS efforts in the region.
- The Ann Arbor Transit Authority (AATA) launched RideTrak, a new service that allows passengers to use a computer, cell phone or Personal Digital Assistant (PDA) to find out where a specific bus is in order to determine how soon it will arrive at their stop. AATA has also been working making the information available by e-mail and text message.
- The Detroit Department of Transportation (DDOT) equipped its entire fleet with new state-of-the-art fare boxes. The fare boxes improve the efficiency, safety, and security of fare collection and enable DDOT to offer new payment options to their passengers, such as 30-day pass cards, stored value cards or single day or weekend passes.

Commuter Alternatives – MDOT's MichiVan Vanpool Program experienced continued growth. The number of vanpools increased 21 percent. Over 1,500 individuals are currently taking advantage of the MichiVan Program either through their own personal initiative or an employer sponsored program.

Intercity Bus Programs

MDOT continued to support intercity bus service in Michigan through procurement of services in northern Lower Michigan and the Upper Peninsula and capital assistance for intercity bus operations throughout the state in the form of motor coach replacements and terminal improvements.

Intercity Bus Operations - MDOT used state and federal funds to provide operating assistance for five intercity bus routes in northern Lower Michigan and the Upper Peninsula. Through these contracts, 87 Michigan communities received intercity bus service. MDOT and Indian Trails collaborated for Indian Trails to take over subsidized intercity bus service in the Upper Peninsula when Greyhound left the Upper Peninsula in January 2007. Greyhound and Indian Trails worked together to ensure uninterrupted transfer of services.

In addition, operating funds were provided to Indian Trails to re-establish intercity bus service in the US-127, I-75 corridor between Lansing and St. Ignace, serving the intermediate, small urban and rural communities of Alma, Mt. Pleasant, Harrison, Houghton Lake, Grayling, and Gaylord.


Intercity Bus Capital - MDOT used a combination of state and federal funds, to improve intercity bus passenger facilities including improvements in Southfield, St. Ignace, Pontiac, Kalamazoo, and Detroit. In order to preserve daily intercity bus services between St. Ignace – Ironwood and Calumet - Milwaukee and restore service between Lansing - St. Ignace, five new state of the art motor coaches were provided to Indian Trails, Inc. in January 2007 at a cost of \$2.1 million. These buses will preserve and maintain 712,480 miles in these route corridors.

Passenger Rail Program

MDOT supported passenger rail service in Michigan in a variety of ways in FY 2007.

Passenger Rail Operations - Under the passenger rail program, \$6.2 million was provided to Amtrak for the *Pere Marquette*, Grand Rapids-Chicago service and the *Blue Water*, Port Huron-Chicago service. This operating subsidy was 12 percent lower than the past three years. Through August 2007, all Michigan passenger rail service revenue was up 4.6 percent and ridership was up 2.8 percent, as compared to the similar time period last year.

For the third consecutive year, MDOT teamed up with Travel Michigan, Amtrak and local convention visitor's bureaus throughout the state to participate in a major promotion of Michigan's travel destinations at Amtrak's Chicago Union Station (CUS). This event was held in May 2007 and allowed Michigan the spotlight in front of 10,000 daily commuters through CUS.



In July 2007, Amtrak began the installation of nine American with Disabilities Act compliant ticket machines. These machines will be installed at Ann Arbor, Battle Creek, Dearborn, Detroit, Durand, Kalamazoo, Lansing, Port Huron and Royal Oak. Three additional machines will replace the current machines which are located in Grand Rapids, Holland and St. Joseph/Benton Harbor. The purpose of these machines is greater customer service at the un-staffed stations and as assistance to the ticket attendants at the staffed locations.

Passenger Rail Safety – Passenger rail safety was addressed through the following programs and projects:

- Michigan's use of the Incremental Train Control System (ITCS) signal system on the high speed rail corridor allowed the Federal Railroad Administration to approve an increase in revenue passenger service speeds to 95 mph along the Detroit to Chicago high speed corridor, the second highest passenger travel speeds in the country. In addition, this train control system is designed to provide safer services for both passenger and freight trains.
- MDOT negotiated with the Village of Galien to provide a grade crossing closure and fencing project which was completed in 2007. In addition, a rail spur track was relocated from the downtown area to outside the village limits to improve safety, aesthetics, and encourage downtown development.
- MDOT authorized Berrien County to close the grade crossing at Batton Road. The county is currently awaiting receipt of the Amtrak easement contract, which will allow a new connecting roadway paralleling Amtrak's right-of-way. This project will be completed by the end of 2007.
- MDOT funded a fencing project between the parking area and the platform at the City of Holland's passenger rail station. This project will direct the public to the sidewalk area and prevent the random crossing of the tracks from the parking area.
- MDOT continued its role as the state agency designated to provide safety system oversight for rail fixed guideway systems in Michigan as required by the Federal Transit Administration. At this time, the Detroit People Mover is the only system in Michigan requiring MDOT oversight.

RAIL FREIGHT AND PORT PROGRAM ACCOMPLISHMENTS

Under the rail freight services and safety programs, MDOT managed approximately 650 miles of state-owned rail lines operated by five railroad companies. MDOT also made loans to railroads and rail users for projects that preserved or expanded rail infrastructure or facilitated economic development.

MDOT also regulated public railroad grade crossings and performed on-site inspections at half of the approximately 5,000 public at-grade crossings statewide. These on-site inspections are designed to collect data and identify deficiencies such as rough crossing surfaces, missing signs or encroaching vegetation. As a follow-up, notifications of deficiencies were sent to the appropriate railroads and road authorities.

The department also provided funding for safety enhancements at some of those crossings. These service, regulatory, and safety functions are supported with the department's operating funds.

Rail Freight Programs

In FY 2007, rail freight program accomplishments included:


Freight Property Management – Department staff inspected 36 state-owned railroad bridges and oversaw the application of vegetation control on 481 miles of state-owned railroad right-of-way.

MDOT received the final payment under the lease/purchase contract with the Escanaba and Lake Superior Railroad and processed the transfer of that Upper Peninsula rail line back to the private sector.

Freight Preservation and Development Program – MDOT undertook projects to rehabilitate 4.2 miles of state-owned track and rebuilt 19 public crossings. The track rehabilitation project, near Ithaca will improve railroad safety and operational efficiency in the area where a new ethanol plant is scheduled to be constructed in 2008.

Through the Freight Economic Development Program, MDOT loaned money for four projects, investing nearly \$800,000 to provide rail access for new and expanding businesses. One of those projects, for AIM Packaging in Southgate, provided approximately \$25,000 toward the construction of a rail siding to facilitate inbound and outbound shipments. The company, which manufactures paper cups, plates, and bags using recycled materials in the process, expects to employ 200 people. As with all Freight Economic Development projects, the loan can be converted to a grant if minimum usage requirements are met.

Rail Safety Program – MDOT facilitated 112 Diagnostic Study Team Reviews/Formal Investigations. These meetings bring together representatives of railroads, road authorities and other parties to assess safety conditions at existing or proposed public at-grade crossings and determine if enhancements are needed. MDOT issues reports summarizing the meetings and issues regulatory orders as appropriate.



Local Grade Crossing Program – Through its 2007 prioritization program, MDOT identified 62 crossings for review and a determination of whether safety enhancements are needed. Diagnostic Study Team Reviews (DSTRs) were conducted at those crossings. An additional 48 crossings were identified for 2008; some of those DSTRs were held in September, with the remainder scheduled for October 2007.

MDOT authorized funding for 47 safety enhancement projects, four closure efforts and four “crossing elimination through track relocation” projects, investing approximately \$8.1 million. These included:

- A project with the City of Westland and CSX Transportation to enhance the existing flashing-light signals at the Hix Road crossing by adding half-roadway gates and a sidelight and upgrading the lenses to 12.” The crossing had been the site of two recent car-train crashes.
- A project with the City of Wayland and Norfolk Southern Railway to install flashing lights and half-roadway gates at 133rd Avenue crossing,
- A project with the Delta County Road Commission and Wisconsin Central to install flashing-light signals and half-roadway gates at the crossing of County Road D-8. The crossing had been the site of a recent car-train crash.
- A cash incentive payment to the Village of Quincy in exchange for the village’s closure of Church Street at the Indiana Northeastern Railroad
- A project with the St. Clair County Road Commission and CN Railway to relocate a switch and realign the track, eliminating at-grade crossings of Griswold Road and Michigan Avenue. This work is an essential first step toward the construction of a grade separation involving the main-line track at Michigan Avenue, and reduces the overall cost to be borne by the grade separation project while also enhancing safety in the interim.

Port Program

MDOT provided \$500,000 in legislatively-mandated operating assistance to the Detroit-Wayne County Port Authority for administrative and marketing expenditures.

2007 Awards and Recognition

- In February, the National Asphalt Pavement Association (NAPA) announced that Payne & Dolan, Inc., of Waukesha, Wisconsin has received a *2006 NAPA Quality in Construction Award* for excellence in paving. NAPA will honor Payne & Dolan, Inc., for its work on MDOT's I-75 project from Lincoln Road to the Ogemaw County line.
- In April, a Metro Region project was highlighted in *Roads & Bridges*, a national trade publication. The Gratiot Avenue (M-3) concrete overlay project, located within the City of Detroit, was an experimental project that allowed a cross agency team, including engineers from MDOT, FHWA, and the project design engineering firm, to perform its first thin concrete overlay.
- MDOT engineers in Lansing and at the Grand Rapids Transportation Service Center, along with a local contractor and utility company, were awarded an FHWA *2007 Excellence in Innovation and Accommodation Award* in April. This innovation award for projects under \$100 million was given for “innovation involving alternative construction techniques and value engineering in the utility program” for the handling of a high voltage power line issue on a 2006 project on I-96 over the Mid-Michigan Railroad.
- In August, the MI Transportation Plan planning team received the 2007 *American Association of State Highway and Transportation Officials (AASHTO) Standing Committee on Quality Team Excellence Pathfinder Award*.
- Four MDOT projects received the 2007 Michigan Quality Achievement Award in August. These projects were substantially completed and open to traffic between January 1, 2005 and December 31, 2006.
 - Two projects were recognized in the “Major Highway Construction Project” category: the M-10 reconstruction in Metro Region and the I-69/36th Street interchange in Grand Region.
 - The Ontonagon Bridge Relocation in the Superior Region, which was designed by the MDOT Design Division, was recognized in the “Major Structure Project Category.”
 - The I-75/M-81 interchange reconstruction project in the Bay Region was recognized in the “Small Project” category.

MDOT FY 2008 TRANSPORTATION PROGRAM

OVERVIEW

MDOT FY 2008 HIGHWAY PROGRAM

(Capital and Maintenance Programs)


MDOT anticipates continued challenges in FY 2008 as we manage our infrastructure needs during a time of restrained budgets. For perspective, the estimated funding available for the FY 2008 Highway Capital and Maintenance Program is \$1,593 million compared to \$1,836 million in FY 2007. FY 2007 funding was higher primarily due to the inclusion of bond proceeds from bonds issued in FY 2007. The \$1,593 million estimate for the FY 2008 Highway Capital and Maintenance Program includes

\$783 million in federal aid obligation authority, \$106 million from Jobs Today bonds, \$546 million in state transportation revenue (\$267 million for the highway capital program from the State Trunkline Fund, as well as \$279 million dedicated to routine maintenance), and prior year fund balance. While non-capital uses of state revenue (administration, debt service, interdepartmental grants, and non-capital programs) increase, funds remaining for the Capital Program are declining as costs in the road and bridge construction industry continue to rise.

MDOT's FY 2008 Highway Capital and Maintenance Programs investment will total approximately \$1.37 billion, including pre-construction phases (project scoping, environmental clearance, design, right-of-way acquisition) and construction projects. With the FY 2008 Highway Capital and Maintenance Program investment, MDOT will continue to positively influence Michigan's economy by supporting more than 19,450 jobs.

The FY 2008 Highway Preservation Program implements an asset management approach by focusing investments on high volume routes in poor condition and extending the life of roads and bridges to keep them in good condition. The program includes a combination of long-term fixes (reconstruction), intermediate fixes (resurfacing/rehabilitation) and an aggressive Capital Preventive Maintenance (CPM) Program, as well as routine maintenance of the entire system.

The FY 2008 Highway Capital and Maintenance Program will maintain the 9,700 mile state trunkline system by investing \$279 million in routine maintenance activities, such as pothole filling, snow plowing, sweeping, and grass cutting. The capital program will provide Michigan travelers with approximately 500 miles of improved roads and over 168 rehabilitated and maintained bridges. MDOT will manage our good and fair roads by extending the life of approximately 1,360 miles of pavement through the CPM Program.



FY 2008 will be the third and final year of Governor Granholm's Jobs Today Initiative. MDOT plans on \$106 million of investment in preserving roads and improving capacity. MDOT will also continue to work with the County Road Association of Michigan and Michigan Municipal League to complete the Local Jobs Today Initiative in FY 2008.

MDOT FY 2008 Economic Development and Enhancement Programs

MDOT's Economic Development Office provides funding for transportation improvements that support Michigan's economy and create effective public/private partnerships. During FY 2008, the Transportation Economic Development Fund (TEDF) Program will provide funding for activities such as: improving commercial routes, congestion relief, bringing forest products to market, and generating private investment and job creation. Funding of these activities will support Michigan's target industries, help to relieve urban congestion, construct or reconstruct all season roads and aid in the safe and efficient collection and transport of forest raw materials.

During FY 2008, the Transportation Enhancement (TE) Program will award approximately \$23 million in federal funds via a competitive grant program to state and local projects which are aimed at enhancing the "fit" of Michigan's highways, streets, and roadways in the communities they serve. SAFETEA-LU identifies 12 specific activities for this funding. Along state trunklines, the regions and Transportation Service Center (TSC) offices partner with local agencies to pair TE projects with roadwork. For example, the TE Program funds streetscape projects and non-motorized facilities which can be paired with road reconstruction. This pairing of activities allows for economies of scale and fosters collaboration and partnerships.

MDOT FY 2008 Safety Programs

MDOT will allocate \$78 million in federal and state funds to work categories that include signs, pavement markings, median guardrail, traffic signals, and safety programs. This includes a \$17 million increase to address specifically one area in Michigan's Strategic Highway Safety Plan - Lane Departure. Statewide lane departure related crashes account for approximately 40 percent of all fatalities. In FY 2008, MDOT will begin a three-year program of placing non-freeway shoulder and centerline rumble strips on rural 55 mph roadways and cable barrier on critical divided highway corridors experiencing a higher than expected history of crossover crashes.

MDOT will invest \$3 million in federal funding statewide in FY 2008 to support the Safe Routes to School initiative. Of the \$3 million, approximately \$900,000 is allocated to the trunkline program for FY 2008. The program purpose is to enable and encourage children, including those with disabilities, to walk and bicycle to school; to make walking and bicycling to school safe and more appealing; and to facilitate the planning, development and implementation of projects that will improve safety, and reduce traffic, fuel consumption, and air pollution in the vicinity of schools.

MDOT FY 2008 Capacity Improvements and New Roads Program

The FY 2008 Capacity Improvement and New Roads template funding is \$178 million, of which \$87 million is scheduled for construction and \$91 million for pre-construction phase work. The construction projects scheduled include:

- I-96 at Wixom Road - This interchange will be reconstructed as a Single Point Urban Interchange (SPUI). Intersection improvements will be constructed at Grand River and Wixom Road to accommodate the new interchange.
- M-59 at Adams Road, Rochester Hills - The old bridge will be removed.
- I-94BL, Battle Creek - Capacity and operational improvements to the business loop will be constructed.
- I-96 at Chicago Drive, Kent County - Construction on I-96 at Chicago Drive and over the CSX railroad will begin. This project includes the construction of two additional access points to the existing I-196/Chicago Drive interchange between I-196 and Baldwin Road in the Jenison area of Georgetown Township. The additional ramps will permit southwest bound traffic on I-196 to exit at Baldwin Road and will provide access to I-196 from Baldwin Road for northeast bound traffic.
- M-59, east of Tooley Road, Howell - Construction of a noise wall will begin that is part of the M-59 widening between I-96 and Michigan Avenue.

Construction projects let prior to 2008 that are continuing include:

- I-75, Ambassador Gateway Project.
- M-59, I-96 to Michigan Avenue.
- I-94, US-131 to Oakland Drive.
- M-24, Pratt Road to south of I-69.
- Northwestern Connector.

The major pre-construction activities planned for 2008 include:

- Blue Water Bridge Plaza, St Clair County - Completion of early preliminary engineering and environmental clearance is expected in 2008. Design work and right-of-way acquisition will follow. This study is evaluating plaza improvements to address border security, vehicle inspection, and toll collection needs at this international crossing.
- I-94/ Sargent Road, Jackson County - Design of interchange improvements will continue and right-of-way acquisition is scheduled to begin this year.

- US-131 Constantine - A Record of Decision (ROD) on the Final Environmental Impact Statement (FEIS) is expected in the spring of 2008. Design work and right-of-way acquisition will commence after the ROD is issued.
- Detroit Intermodal Freight Terminal (DIFT) - The completion of early preliminary engineering and the environmental impact statement for facility expansion is expected in 2008. The purpose of the DIFT project is to support the economic competitiveness of southeastern Michigan and the state by improving freight transportation opportunities and efficiencies.

The goal is to ensure that southeast Michigan has sufficient capacity to provide for existing and future intermodal demand.

- US-23, I-96 to M-14 in Washtenaw and Livingston Counties - The feasibility study to identify corridor improvement options will continue in 2008.
- Detroit River International Crossing (DRIC) - Early preliminary engineering to identify the best location for this crossing will continue. Completion of the Final EIS is expected in late 2008.
- US-31, Holland to Grand Haven - The final EIS will be completed by December 2007, with Federal Highway Administration approval of the ROD expected in the spring of 2008. Design and right-of-way acquisition will begin after the ROD has been approved.
- I-75, Eight Mile Road to M-59, Oakland County - Work on the engineering report for improvements to the segment of I-75 from Eight Mile Road to Twelve Mile Road will continue through 2009. Work on the engineering report for improvement to segment from Twelve Mile Road to M-59 is scheduled to begin in 2008.
- US-127, St. Johns to Ithaca - Right-of-way acquisition will resume using SAFETEA-LU earmarks.
- I-94, I-96 to Conner, Detroit - Work on the engineering report continues.
- M-59, Crooks Road to Ryan Road, Oakland and Macomb Counties - Design is continuing.
- M-59, Michigan Avenue to Old US-23, Livingston County - Right-of-way activities are ongoing.
- US-31, Napier Road to I-94, Berrien County - Design and right-of-way activities are ongoing.
- US-131 at Manistee River Bridge, Wexford County - Environmental clearance activities will begin in 2008.
- I-96/Latson Road Interchange, Livingston County - Design plans will be revised in 2008, to accommodate the expenditure of earmarked funds.



MDOT Intelligent Transportation System (ITS) FY 2008 Program

The ITS Program encompasses the application of technology to improve the efficiency and safety of our transportation system.

ITS applications use information, communication and sensor technology with the goal to achieve improved levels of safety and performance on all transportation modes.

Funding for the FY 2008 ITS Program is estimated to be approximately \$12.1 million to include a mixture of necessary rehabilitation of existing ITS infrastructure in the Grand and Metro Regions. This funding will also provide for the installation of a “test” deployment of a weather information system in the Superior Region, and will assist in responding to a variety of federal earmarks for ITS deployments statewide and the development of traveler information and diversion systems for future construction projects.

In FY 2008, MDOT has planned the following Vehicle Infrastructure Integration (VII) tasks and programs:

- Complete the deployment of the initial VII test bed construction in southeast Michigan.
- Develop a plan for a region-wide VII deployment that includes infrastructure and vehicles from the local automakers to lay out a vision for a wide-scale VII Field Operational Test (FOT).
- Host a second international VII summit to update the participants on the status of our various programs and begin the process of standardizing data across multiple test facilities.
- Begin a cooperative development with our partners in Sweden on a variety of VII-related projects.

Carpool Parking Lot Program

Projects for the Carpool Parking Lot Program for fiscal years 2008 through 2010 were submitted in the latest Five-Year Transportation Program Call for Projects. Regional preservation project targets were developed based on the number of carpool parking lots as well as the capacity, occupancy rate, and condition of lot surfaces within each region. The total annual Carpool Parking Lot Program template is \$1.1 million. Typically, \$600,000 is allocated to the regions for preservation projects and \$500,000 is used for capacity improvement and new lots, which are evaluated on a statewide level.

Any funds not programmed are held for contingencies, lighting, and emergency repairs and are used in the designated fiscal year.



FY 2008 MULTI-MODAL PROGRAM

(Aviation, Bus, Marine, Passenger Rail, Rail Freight, and Port)

MDOT's FY 2008 Multi-Modal Program provides for capital and operating assistance, technical support, and safety oversight of Michigan's air, passenger rail, rail freight, marine, intercity bus, charter bus, limousine, and local transit sectors of Michigan's transportation system. The program is implemented by the Bureau of Passenger Transportation and the Bureau of Aeronautics and Freight Services.

The Multi-Modal Program focuses largely on continued safe and secure operation of the existing transportation system through routine maintenance, capital replacement and rehabilitation; and preservation of existing service levels.

In FY 2008, MDOT will invest \$453 million in state and federal funds to maintain Michigan's multi-modal operations and infrastructure. Successful implementation of the Multi-Modal Program is reliant on the efforts of airport authorities, transit agencies, private non-profit transportation providers, rail freight carriers, government agencies, and businesses involved in rail freight economic development, intercity passenger carriers, and others.


MDOT's approach to these sectors differs significantly from the road and bridge sectors covered by MDOT's FY 2008 Highway Capital and Maintenance Program for two main reasons. First, the majority of the infrastructure is owned, managed and operated by entities other than MDOT. In addition, state and federal funding for these sectors are more prescribed than highway funding. Therefore, MDOT's program supports investment and operating decisions made by local and private entities within the prescribed parameters of state and federal law.

AVIATION PROGRAMS

MDOT anticipates continued budget challenges for its Aeronautics Program in FY 2008. The anticipated Aviation Capital Program for FY 2008 is \$161 million. This is essentially unchanged from the FY 2007 program. Aviation programs funded from the State Aeronautics Fund (SAF) operating budget will be appropriated at the FY 2007 level; however, the programs may be less than fully funded or suspended pending actual revenues to the SAF. These programs include the All Weather Access Program, as well as the Air Service Program.

MDOT's FY 2008 Aeronautics Program provides for capital assistance with federal, state, and local funds for airports in Michigan. In addition, the program provides for technical support and safety oversight for airports, pilots, and flight instructors.

The focus is largely on continued safe and secure operation of the existing airport system through capital replacement/rehabilitation and preservation of existing service levels.



Through our partnerships with the Federal Aviation Administration, airport sponsors, Michigan Association of Airport Executives, and the Michigan Business Aviation Association, MDOT has promoted and implemented operational efficiencies of the airport system and its infrastructure.

MDOT's approach to Michigan's aviation system differs significantly from the road and bridge sectors covered by MDOT's FY 2008 Highway Capital and Maintenance Program for two main reasons. First, the infrastructure is owned, managed, and operated by entities other than MDOT. In addition, state and federal funding for these sectors are more prescribed than highway funding.

Therefore, MDOT's program supports investment and operating decisions made by local and private entities within the prescribed parameters of state and federal law. MDOT also provides asset management programs such as the Approach Protection Plan, Pavement Condition Index, and the Tall Structures Program.

BUS, MARINE, AND PASSENGER RAIL PROGRAMS

During FY 2008, MDOT's Bureau of Passenger Transportation will oversee the following programs:

Local Transit Programs (Operating, Capital, and Regulatory)

The programs in this category provide funding for operating and capital support, training, and special projects to local bus operators that provide service to the general public. Assistance is also provided to support transportation services focused on the needs of senior citizens and persons with disabilities, and to help meet the transportation to work needs of low income individuals.

A total 119 transit providers (79 local agencies and 40 specialized services agencies) in all 83 Michigan counties are provided support under these programs.

The majority of state and federal revenue appropriated to MDOT for these programs provides supplemental funding for local projects throughout the state. In addition to the Federal Transit Administration (FTA) revenue granted to MDOT for local project support, the FTA also provides grants directly to local agencies. The majority of federal transit funding is granted directly to transit agencies and is not included in MDOT's FY 2008 program.

The annual investment strategy is largely determined by detailed requirements set forth in Act 51 of 1951 for annual distribution/use of Comprehensive Transportation Fund (CTF) revenues and the eligible uses of federal formula apportionments or earmarks.

Local transit investments will focus on:

- Preservation of existing services via operating assistance to local transit, intercity bus, and public marine service providers.

- Preservation and maintenance of the existing infrastructure (largely locally-owned) via state investment and match to federal funds for routine vehicle replacement.
- Support of local capital strategies established by individual transit agencies via matching federal capital grants for infrastructure replacement and rehabilitation, and including some capacity expansion (service growth).

In FY 2008, some of the local transit programs MDOT will deliver include:


- Specialized Services and New Freedom Program – MDOT will provide Act 51 mandated state funding for operational support to public and private non-profit entities that provide transportation service focused on persons with disabilities and the elderly. MDOT will also accept applications for federal formula funds (new program) of capital and/or operating assistance for services focused on transportation to work for persons with disabilities.
- Local Bus Operating – MDOT will provide Act 51 mandated state funding for operational support of transit systems (including ferry boat operations) and issue federal formula funds for operating assistance to nonurban transit agencies.
- Transportation to Work – MDOT will issue federal formula funds and state match for transportation to work services for low income individuals and reverse commute.
- Bus Capital – In accordance with Act 51, MDOT will issue state funds to match federal capital grants to MDOT and transit agencies. MDOT will also serve as the grant recipient for federal capital funds apportioned to MDOT transit providers via congressional earmarks.

Intercity Bus Programs

The FY 2008 Intercity Bus Program will provide capital and operating support for intercity bus service. MDOT will make investments for safety, security, and preservation of existing intercity services. Specifically, MDOT will continue to use state and federal funds to maintain a minimally acceptable level of intercity bus service in the state, with a focus on those areas of the state that would have no bus service in the absence of state funding.

In FY 2008, Intercity Bus Program will include:

- Intercity Terminals – MDOT will use state and federal funding for intercity/intermodal terminals. Some of the terminal projects/improvements scheduled to take place in 2008 includes Saginaw, Battle Creek, St. Ignace, and Howard City.
- Intercity Service Development – MDOT will continue to use state and federal funds to support intercity bus service in the Upper Peninsula and northern Lower Peninsula.
- Intercity Bus Capital – MDOT will use state funds to support intercity bus capital needs, largely motor coach replacements.



During FY 2008, MDOT will explore the potential of a collaborative effort with the Departments of Transportation in Wisconsin and Minnesota to eliminate regional intercity bus system gaps in Michigan's Upper Peninsula and rural Wisconsin and Minnesota. In FY 2008, MDOT will begin preparation to bid out all five existing intercity bus routes. The current contracts are set to expire in February 2009.

The Intercity Program also includes regulation of the commercial business activities of both intercity bus and limousine services. These activities are funded through the department's operating budget.

Marine Passenger Services (Capital and Operating)

In FY 2008, MDOT will invest \$500,000 to provide financial assistance for capital projects, such as dock improvements and support equipment, for the two public passenger ferry systems in the state.

Passenger Rail Program

The FY 2008 Rail Program provides for capital and operating assistance, technical support, and safety oversight of Michigan's rail passenger transportation system. The Passenger Rail Program focuses largely on continued safe and secure operation of the existing transportation system through routine maintenance, capital replacement/rehabilitation, and preservation of existing service levels.

Using previous years' funding, the Passenger Rail Program will continue capital investments to improve and expand intercity passenger rail service on the high speed rail between the Detroit-Chicago corridor. These infrastructure investments are for safety and security, as well as capacity and speed improvements. These improvements will include the installation of additional crossties, surfacing work, fence installation, and the elimination of public and private grade crossings. Trains are currently operating at 95 MPH in selected areas on the Detroit-Chicago corridor. MDOT expects approval in FY 2008 from the Federal Rail Administration (FRA) to increase speeds to 110 MPH in this same area.

The Ann Arbor to Detroit Commuter Rail Project, managed by SEMCOG, is working toward implementing commuter service between Ann Arbor and Detroit with a connection to Detroit Metro Airport by late 2009 or early 2010. The preferred alternative determined by this study was a hybrid passenger rail/bus system, but current forecast data indicates the project would not be successful in the highly competitive FTA funding environment. Therefore, SEMCOG has initiated efforts to implement a demonstration service which will provide base ridership numbers that can make the project more competitive for federal funds.

Amtrak is conducting a ridership/fare estimation effort which will be completed in January 2008 and a consultant-directed capacity analysis for Norfolk Southern is scheduled to be completed in March 2010. Station locations for the Detroit Metro Airport connection are being evaluated. Discussions are taking place with the Federal Highway Administration, Federal Transit Administration, and MDOT regarding the required environmental clearance. Freight railroad negotiations and equipment acquisition are also underway.

MDOT and the communities which surround the proposed area are supportive of SEMCOG'S efforts as they progress toward their goals and objectives.

RAIL FREIGHT AND PORT PROGRAMS

MDOT's FY 2008 Rail Freight Program will continue to provide for capital assistance, technical support, and safety oversight of the rail freight sector of Michigan's transportation system.

The Rail Freight Program focuses largely on continued safe and secure operation of the existing transportation system through capital construction and rehabilitation in order to facilitate safe and efficient operations.

In FY 2008, MDOT will invest up to \$13.2 million in state and federal funds to preserve and enhance Michigan's rail infrastructure and promote economic development. Successful implementation of the freight services and safety program is reliant on the efforts of rail freight carriers, state and local governmental units, and businesses involved in rail freight economic development.

MDOT investment strategies for rail freight-related activities are determined by a combination of: (a) investment decisions made by railroads and rail dependent industries; (b) requirements set forth in Act 51 of 1951 for annual distribution/use of CTF revenues; (c) Diagnostic Study Team recommendations relative to safety enhancements at local grade crossings, and the federal and state highway funds available to meet those needs¹ and (d) available fund balance in the Michigan Rail Loan Assistance Program (MiRLAP) revolving fund.

Investments are focused on preservation of railroad infrastructure, safety improvements, and economic development.

Under the Freight Services and Safety Programs, MDOT manages approximately 530 miles of state-owned rail lines operated by four railroad companies. MDOT makes loans available to railroads and rail users for projects that preserve or expand rail infrastructure or facilitate economic development.

MDOT also regulates public railroad grade crossings, and performs on-site inspections at half of the state's approximately 5,000 public at-grade crossings annually. At these inspections, MDOT collects data and identifies deficiencies, such as rough crossing surfaces, missing signs, or encroaching vegetation. As a follow-up, notifications of deficiencies are sent to the appropriate railroads and road authorities.

The department also provides funding for safety enhancements at some of those crossings. These regulatory and safety functions are supported with the department's operating funds.

¹ Local grade crossing projects are overseen by Freight Services & Safety Division staff, while state trunkline grade crossing projects are overseen by Highway staff.

In FY 2008, Rail Freight Program activities will include:

- Freight Property Management-State-Owned Rail Line Management Program - Vegetation control along with bridge, culvert and crossing repairs on state-owned property.
- Freight Preservation and Development - The Preservation and Development Program undertakes capital improvements on state-owned rail infrastructure to enhance rail service in rural areas and small towns throughout Michigan. In FY 2008, the Rail Freight Program will continue a major rehabilitation project on approximately six miles of track south of Ithaca. This is the final phase of a project started in FY 2006 to improve railroad safety and operational efficiency in the area where a new ethanol plant is scheduled to be constructed in 2008.

Through the Freight Economic Development Program, MDOT will continue to offer financial assistance to rail users in the development and/or expansion of businesses and industries. The program provides low-interest loans covering up to 50 percent of the rail freight portion of projects related to job creation or retention. The loans are designed to be forgiven over time provided the applicant meets certain contractually-designated requirements.

- Michigan Rail Loan Assistance Program (MiRLAP) - The next MiRLAP applications will be due in February 2008. MiRLAP is a self sustaining revolving loan program to preserve and improve Michigan's rail infrastructure and contribute to the stability and growth of the state's business and industry. The loans are limited to \$1 million per project and can be used for track rehabilitation; bridge and culvert repair; and new construction, transload facilities, and rail consolidation projects. The MiRLAP loans fund up to 90 percent of the rail portion of the project costs with at least a 10 percent funding match from the applicant. Loans are to be repaid with no interest over a period not to exceed 10 years.
- Local Grade Crossing Program - The Local Grade Crossing Program provides local governmental units and railroad companies assistance developing and implementing projects that enhance motorist safety at public highway-railroad crossings including [safety enhancement](#) and crossing elimination projects.
- Rail Safety Program – During FY 2008, MDOT expects to facilitate 80-90 diagnostic study team reviews/formal investigations. These meetings bring together representatives of railroads, road authorities, and other parties to assess safety conditions at existing or proposed public at-grade crossings and determine if enhancements are needed. MDOT will issue reports summarizing the meetings and issue regulatory orders as appropriate.

Port Program

During FY 2008, MDOT plans to provide \$500,000 for legislatively-mandated operating assistance to the Detroit-Wayne County Port Authority for administrative and marketing expenditures.